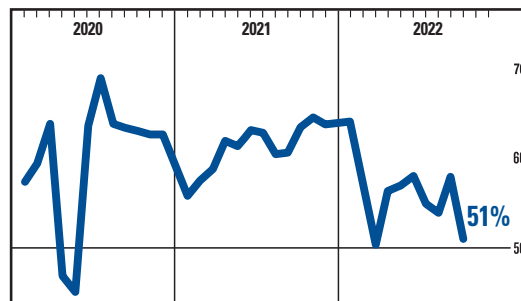


HOSPITAL PMI® at 51%

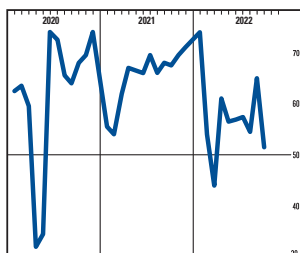
Economic activity in the hospital subsector grew in October for the 29th consecutive month, say the nation's hospital supply executives in the latest Hospital ISM® Report On Business®. The Hospital PMI® registered 51 percent in October, a 6.9-percentage point decrease from the September reading of 57.9 percent. The Business Activity and New Orders indexes remained in growth territory; however, both decreased compared to September. The Employment Index contracted in October. The Case Mix Index registered 53 percent, an increase of 5.5 percentage points compared to the September figure of 47.5 percent. The Days Payable Outstanding Index registered 53 percent, up 0.5 percentage point from the 52.5 percent reported in September. The Technology Spend Index registered 62.5 percent, a 2-percentage point increase from the September reading of 60.5 percent.



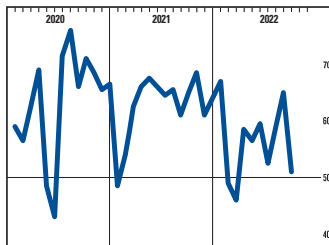
The Technology Spend Index registered 62.5 percent, a 2-percentage point increase from the September reading of 60.5 percent.

Inflation and rising prices were the issues mentioned most often this month by Business Survey Committee respondents. The high costs of labor and supplies are cutting into hospital margins. Some panelists attributed lower patient volumes to a lack of capacity due to staffing shortages; others cited continued migration to outpatient settings for treatment. A few commented on expected volume increases related to the upcoming flu season. Comments related to supplier deliveries were mixed, with about half indicating improvements and the rest saying back orders and product discontinuations were problematic. Efforts continue to reduce inventory levels and right-size periodic automatic replenishment (PAR) levels. **ISM**

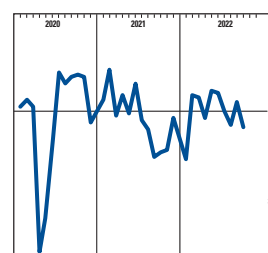
Business Activity



New Orders



Employment



About This Report

The information compiled in this report is for the month of October 2022.

The Hospital PMI® was developed in collaboration with the Association for Health Care Resource & Materials Management (AHRMM), an association for the health care supply chain profession, and a professional membership group of the American Hospital Association (AHA).

The data presented herein is obtained from a survey of hospital supply executives based on information they have collected within their respective organizations. ISM® makes no representation, other than that stated within this release, regarding the individual company data collection procedures. The data should be compared to all other economic data sources when used in decision-making.

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